Report on 2017 Activities and Initiatives of APFF, APIP and Asia-Pacific Forum on Financial Inclusion
ABAC’s Contribution to CAP Implementation

• FMP Policy Initiatives managed by ABAC to support CAP
  – APFF: financial markets and services
  – APIP: bankability of infrastructure projects
  – Asia-Pacific Forum on Financial Inclusion: access to finance

• Activities since 2016 AFMM: 28 workshops, dialogues, roundtables, conferences (see Annex)
Contributions to Implementation of Cebu Action Plan

2017 THEMES

- Financial Inclusion
- Micro insurance
- FINTECH
- Financial Market Infrastructure
- Retirement Income & Long-Term Investment
- Bankable Infrastructure
- MSME Finance
- Disaster risk financing
- Capital markets
- Valuation practices
- MSME Finance
MSME FINANCE
MSME Finance

• Financial Infrastructure Development Network (FIDN) – accelerating reforms to develop:
  – Credit information systems
  – Secured transactions and insolvency systems
  – Ongoing: Brunei, China, Philippines, Thailand, Vietnam
MSME Finance

• Dialogues on how to address key factors that impact trade and supply chain finance
  – KYC / CDD / AML
  – Technology and innovation
  – Venues: Singapore, Thailand, Vietnam
Financial Inclusion


• Forum Report: Accelerating Inclusive Growth through Technology and Collaboration

Harnessing FinTech to Expand Access to Finance

- Establishment of a regional platform
  - to bring together stakeholders from public and private sectors;
  - to identify ways to help economies harness FinTech to promote inclusive financial services

- Innovations in financial market infrastructure focused on key areas:
  - Cybersecurity
  - KYC
  - E-Payments

- **Venues:** Philippines (ADB), Thailand
CAPITAL MARKETS
Deepening Capital Markets

- Dialogues to discuss ARFP with regulators of member economies
- APFF workshops to accelerate reforms to develop classic repo and derivatives markets (key to increasing liquidity)
- **Venues:** China, Chinese Taipei, Thailand
Developing Financial Market Infrastructure (FMI)

- Completion of a proposed roadmap for developing the region’s financial market infrastructure

- **Venues:** Korea, Philippines (ADB)
Promoting Bankable Infrastructure Projects

- APIP dialogues
  - **Venue:** Vietnam

- APIP/APFF sectoral dialogues and assistance in developing technical guidelines (current focus: waste management systems)
  - **Ongoing:** Indonesia
  - **Being prepared:** Philippines, Vietnam
Expanding the Long-Term Investor Base

- Public-private dialogues to address barriers to long-term investment in infrastructure (focus on insurers, pension funds, Islamic financial institutions)
- Development of retirement income systems
- Dialogues to promote regulatory and accounting frameworks conducive to long-term investment
- **Venues:** Canada, Hong Kong (China), Malaysia, Thailand
FINANCIAL RESILIENCE
Enhancing Financial Resilience

• Microinsurance
  – Completion of draft roadmap for expanding microinsurance coverage in APEC
  – **Venues:** Vietnam, Peru

• Disaster Risk Financing and Insurance
  – Initiation of a roadmap for promoting private sector participation in DRFI
  – **Venue:** Japan@Bosai Forum (Sendai)
NEW CAP DELIVERABLES FOR 2018
# Roadmap for Financial Market Infrastructure (FMI)

**Objectives:**
- Reducing costs and risks
- Increasing connectivity and inter-operability of FMIs

**Areas for collaboration:**
- Securities markets: Post-trade ecosystem
- Non-Resident Accounts, Tax, Investor Identification and Transparency
- Increasing Market Efficiency: Issues Specific to Repo/Lending
- Increasing Market Efficiency: Issues Specific to Derivatives
- Fund services

Roadmap submitted as Appendix to 2017 APFF Progress Report

## Cebu Action Plan Initiative 3C:
“*The development of a roadmap to improve regional financial infrastructure and assist APEC economies develop their capital markets*”

## Active collaborators:
- **International organizations:** ABAC, ABMF/ASEAN+3, ADB, IMF, WBG
- **Regulators:** ASIC, BoK, CB of Russia, JFSA, ASEAN+3 regulators
- **Industry organizations:** ASIFMA, GFMA, ICMA, ISDA, KOFIA, PASLA, SWIFT
- **Firms:** Bain & Co., Banco de Chile, Bloomberg, Bolsa de Santiago, BNY Mellon, Citi, Deutsche Bank, DTCC, Equichain, Euroclear, EY, HKEx, HSBC, JPM, JPX, KSD, NRI, O-Bank, PayPal, SET, Standard Chartered, Visa

## Process:
- 2016/09-2017/05: Holding of 18 teleconferences
- 2017/04: Symposium (Seoul, Korea)
- 2017/07: Joint session with ABMF/ASEAN+3 regulators (ADB, Manila, Philippines)

Welcomed by APEC Finance Ministers to be advanced by stakeholders
Roadmap for Expanding the Coverage of Microinsurance

Objective:
• Expand coverage of microinsurance in developing member economies

Pillars:
• Policies and proportionate regulations for Inclusive insurance and microinsurance
• Scalable business models using fintech for inclusive insurance
• Inter-agency coordination, private-public coordination mechanism and support infra for inclusive insurance
• Financial literacy/consumer protection measures

Roadmap submitted as Appendix to 2017 APFF Progress Report

Welcomed by APEC Finance Ministers to be advanced by stakeholders

• **Cebu Action Plan Initiative 3B Deliverable**: “Develop a roadmap and network of experts through the support of APFF for expanding the coverage of microinsurance and disaster risk finance in member economies”

• **Active collaborators:**
  – **International organizations**: ABAC, Microinsurance Network, Mutual Exchange Forum on Inclusive Insurance Network (MEFIN), ILO Impact Insurance
  – **Industry associations**: Asociación Peruana de Empresas de Seguros (APESEG)
  – **Firms/institutions**: Allianz, Centre for Financial Regulation and Inclusion (CENFRI), GIZ, Munich Re Foundation, Microinsurance Center (USA), NRI, Tokio Marine, Vietnam National Reinsurance Corporation

• **Process**:
  – 2016/2017: Conference calls
  – 2017/03: Workshop (Hanoi, Viet Nam)
  – 2017/07: Discussion session (Hoi An, Vietnam)
  – 2017/11: Workshop (Lima, Peru)
Work Program for the Islamic Infrastructure Investment Platform (I3P)

**Objective:**

- Address obstacles to cross-border investment of Islamic financial institutions in infrastructure

**Areas for collaboration:**

- Aligning Sharia compliance definitions and practices across jurisdictions
- Islamic hedging instruments
- Develop financial instruments suitable for Islamic pension funds and insurance
- Tax neutrality issues
- Project preparation tools for attracting investment from Islamic FIs

**Cebu Action Plan Initiative 4E Deliverable:** “Exchange experiences through existing public and private sector forums, including APFF, for facilitating long-term investment in infrastructure.”

**Active collaborators:**

- International organizations: ABAC, ADB, CGIF, ICD, Islamic Development Bank (IDB), WBG
- Regulators/Agencies: AMBD, BNM, JBIC, MOF Brunei, MOF Malaysia, MOF Thailand, SC Malaysia
- Industry associations: AIBIM, ISDA, Malaysia Investment Banking Association, Thai Bankers’ Association

**Process:**

- 2015/10: Brunei workshop
- 2016/05: Kuala Lumpur workshop
- 2017/02: Bangkok meeting
- 2017/10: Kuala Lumpur conference
### ANNEX A:
Activities Undertaken under ABAC Initiatives for FMP

October 2016 - October 2017

<table>
<thead>
<tr>
<th>No.</th>
<th>Date</th>
<th>Location</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>2016/10/27</td>
<td>Ho Chi Minh City, Vietnam</td>
<td>APFF Supply Chain/Trade Finance Symposium</td>
</tr>
<tr>
<td>3.</td>
<td>2016/12/07-08</td>
<td>Makati City, Philippines</td>
<td>FIDN Conference</td>
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<td>4.</td>
<td>2017/01/16</td>
<td>Manila, Philippines</td>
<td>Valuation Roundtable (Manila)</td>
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<tr>
<td>5.</td>
<td>2017/02/20</td>
<td>Bangkok, Thailand</td>
<td>MSME Finance Seminar</td>
</tr>
<tr>
<td>6.</td>
<td>2017/02/21</td>
<td>Bangkok, Thailand</td>
<td>APFF I3P Meeting</td>
</tr>
<tr>
<td>7.</td>
<td>2017/02/21</td>
<td>Bangkok, Thailand</td>
<td>Workshop on Repo+Derivatives for the Government of Thailand</td>
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<td>8.</td>
<td>2017/03/14</td>
<td>Jakarta, Indonesia</td>
<td>APIP/APFF Waste Mgt PPP Dialogue with the Government of Indonesia</td>
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<tr>
<td>9.</td>
<td>2017/03/16</td>
<td>Hanoi, Viet Nam</td>
<td>APFF Microinsurance Roadmap Workshop</td>
</tr>
<tr>
<td>10.</td>
<td>2017/03/16</td>
<td>Beijing, China</td>
<td>APFF Workshop on Repo/Derivatives/Corporate Bonds in China</td>
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<tr>
<td>11.</td>
<td>2017/04/07</td>
<td>Singapore</td>
<td>APFF Trade/Supply Chain Finance Workshop</td>
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<tr>
<td>12.</td>
<td>2017/04/20-21</td>
<td>Beijing, China</td>
<td>FIDN Symposium on Personal Data Protection/Cross-Border Credit Information</td>
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<tr>
<td>14.</td>
<td>2017/05/16</td>
<td>Ninh Binh, Viet Nam</td>
<td>APEC FMP-ABAC-IFC International Cross-border Credit Information Exchange Seminar</td>
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<td>15.</td>
<td>2017/07/04</td>
<td>Manila, Philippines</td>
<td>APFF Joint Session with ABMF and ADB on FMI Roadmap</td>
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<td>16.</td>
<td>2017/07/05</td>
<td>Manila, Philippines</td>
<td>ABAC-ADB APFF Fintech Workshop</td>
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<td>18.</td>
<td>2017/07/11</td>
<td>Hoi An, Viet Nam</td>
<td>APFF Microinsurance Roadmap Session</td>
</tr>
<tr>
<td>19.</td>
<td>2017/07/12</td>
<td>Hoi An, Viet Nam</td>
<td>FIDN Conference</td>
</tr>
<tr>
<td>20.</td>
<td>2017/07/13</td>
<td>Hoi An, Viet Nam</td>
<td>FIDN Meeting on Credit Reporting Collaboration of Mekong Economies</td>
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<tr>
<td>21.</td>
<td>2017/07/25</td>
<td>Toronto, Canada</td>
<td>APFF Roundtable on Long-Term Investment in Infrastructure</td>
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<tr>
<td>22.</td>
<td>2017/09/06</td>
<td>Taipei, Chinese Taipei</td>
<td>APFF Informal Dialogue with Chinese Taipei FSC on ARFP</td>
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<td>23.</td>
<td>2017/09/11</td>
<td>HCM City, Viet Nam</td>
<td>APEC Vietnam/ABAC/WBG MSME Finance Forum</td>
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<td>24.</td>
<td>2017/09/26-27</td>
<td>Beijing, China</td>
<td>ABAC-IFC-CAWD Warehouse Finance/Collateral Mgt Conference</td>
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<td>25.</td>
<td>2017/10/10</td>
<td>Kuala Lumpur, Malaysia</td>
<td>AFF I3P Conference</td>
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<td>26.</td>
<td>2017/10/17</td>
<td>Bangkok, Thailand</td>
<td>APFF Trade and Supply Chain Workshop</td>
</tr>
<tr>
<td>27.</td>
<td>2017/10/18</td>
<td>Bangkok, Thailand</td>
<td>APFF FMI Fintech Workshop</td>
</tr>
<tr>
<td>28.</td>
<td>2017/10/31</td>
<td>Hong Kong, China</td>
<td>APFF Roundtable on Insurance Regulations and Accounting</td>
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</tbody>
</table>
ANNEX B:
Upcoming 2017 Activities

• 2017/11/07, Lima, Peru: Microinsurance Roadmap Roundtable Meeting with Latin American Stakeholders

• 2017/11/26-27, Sendai, Japan: World Bosai Forum with APFF session on DRFI

• 2017/11/29, Manila, Philippines: FIDN Conference

• 2017/12/05-06, Hong Kong, China: APIC-ABAC APFF Regional Pension Funds and Social Security Systems Summit